



FEATURED OPTIONS RADAR REPORT



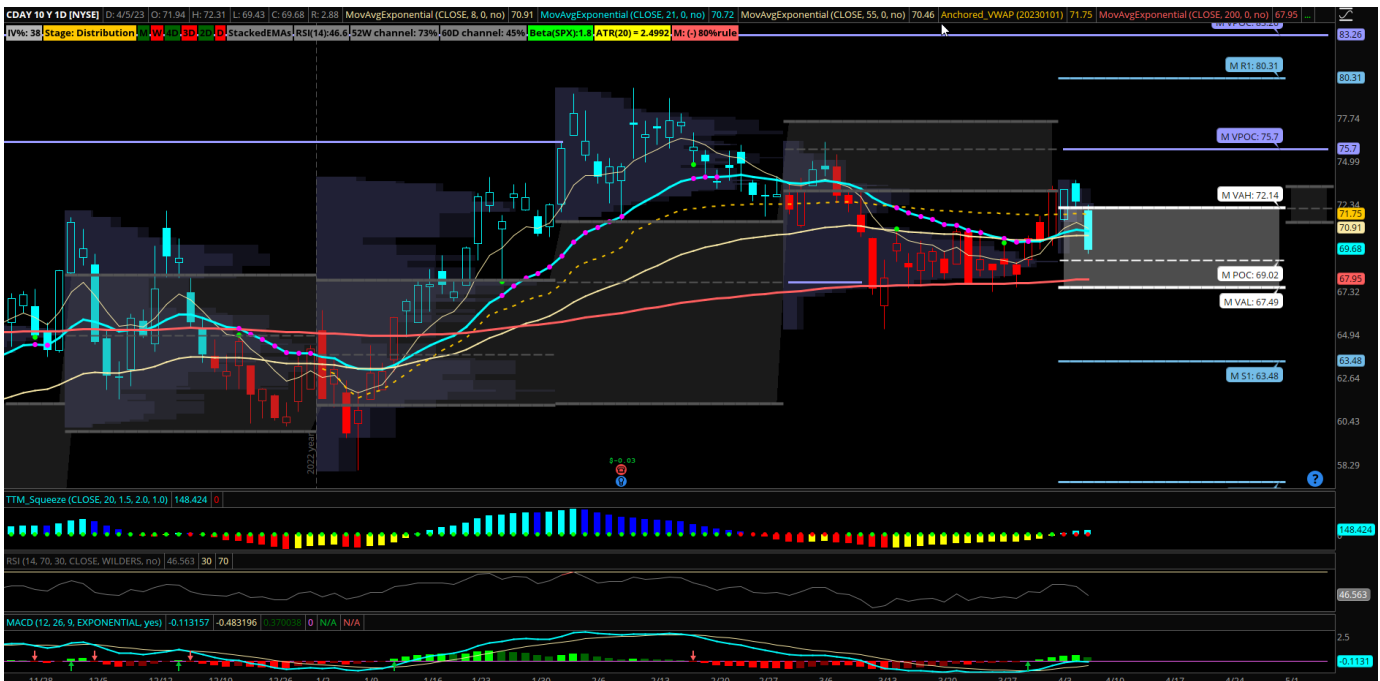
Human Capital Management Software Name Sees Bearish Put Buyer

Ticker/Price: CDAY (\$69.67)

Analysis:

Ceridian (CDAY) on 3/28 saw a large, unusual buyer of 1750 September \$70 puts for \$8.70 and over \$1.6M total bought on the day. CDAY does not see a lot of flows and rarely over \$1M so this clearly stands out as a longer-term bear position. The name has some May \$55 and Sept \$55 short puts in OI from recent opening sales so likely a floor at 55 if prices got there. Shares have been retracing off the early year highs and now below YTD VWAP at 72 with the drop into monthly value targeting a move to 67.50 and the 200-day EMA support nearby. A break below that level would bring a flush lower to the 65 zone likely. The stock has yearly value area resistance here also near 70 with the 2022 POC at 61.50 a potential bigger downside target on weakness. The \$11.1B company trades rich at 53.9x earnings, 7.6x sales, a FCF yield at 1.6% while revenue is expected to grow +20% in FY23 and growth estimated at +16% in FY24. Ceridian is a human capital management (HCM) software company. The Company's flagship Cloud HCM platform, Dayforce, provides human resources (HR), payroll, benefits, workforce management, and talent intelligence functionality. Average analyst target is \$85. Piper has a Neutral rating and \$78 target recently citing a clean beat with its Q4 results coming in ahead of expectations. The firm continues to expect the company to continue to win new logos in the current macro environment. Barclays raised to \$74 and keeps a Equal weight rating saying that in this environment, Ceridian is performing better than other software peers. However, it finds the stock's valuation as full at current levels. Wells Fargo has a \$75 target and Equal Weight while Jefferies is more bearish sticking with their \$56 target. Short interest is at 7.1%. Hedge fund ownership fell 4.4%.

Hawk Vision:



Hawk's Perspective: CDAY is a nice short set up her with stops above top of monthly value area at 72.25 and now the name has a clear shot at testing 67.50 and potential breakdown under that 200 EMA as well.

Confidence Ranking: \$\$